



# 2024 Sustainability Report

HINES EUROPEAN CORE FUND

Hines



From Our Fund Leadership



Simone Pozzato  
Senior Managing Director  
Fund Manager



Daniel Chang  
Head of Sustainability Europe

Sustainability is at the heart of the Hines European Core Fund’s (HECF’s) investment and business strategy. Consistently recognised as a leader, we strive to create and preserve asset value by implementing initiatives that improve efficiency, mitigate physical and transition risks, and benefit our asset communities.

For instance, at Royal Flora, a logistics investment in the Netherlands, the Fund financed energy efficiency measures and PV installations, recovering costs through higher rents and enhancing asset value while reducing operational expenses which makes the asset more appealing to tenants.

Over the course of 2024, we continued to drive best-in-class environmental, social, and governance performance and made significant progress toward fund-wide goals.

In December, we reopened Diagonal Vertical, beginning its new era as a modern, sustainable office building. An icon of Barcelona’s skyline, the former Sabadell Tower went through a comprehensive refurbishment which ensured its unique character was maintained while enhancing its overall environmental performance and reducing its carbon footprint.

In terms of portfolio decarbonisation, our team developed an innovative pilot project, with outcomes allowing us to effectively execute on decarbonisation insights gathered through audits and internal analysis. We piloted this process at Marianella and Caleido – residential and office assets, respectively – and have made immediate progress toward carbon reduction goals at these properties.

For the eighth year in a row, the Fund was awarded Global Sector Leader (out of a group of 465 peers) by the Global Real Estate Sustainability Benchmark (GRESB). Among many strengths, the Fund’s whole-building

like-for-like environmental performance particularly shines, with reductions across energy, greenhouse gases (GHGs), and water, and nearly all waste diverted from landfill. We also received the Open-End Fund ESG Award from the Pension Real Estate Association (PREA) for the third time.

We are proud of the advances we’ve made, and look forward to another exciting year of progress. It is our firm belief that implementing sustainability initiatives and policies across the Fund is an indispensable and effective way to protect – and often enhance – value for investors, and we still have work to do.





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# HECF Overview<sup>1</sup>

HECF is a Luxembourg-domiciled, open-ended investment fund focused on acquiring and managing top-tier, core real estate assets across Europe. By maintaining a diversified portfolio, the Fund seeks to generate sustainable income while meeting the evolving needs of occupiers and investors.

Since its inception in 2006, the Fund has acquired 48 investments and sold 14, continuously refining its approach to responsible asset management and long-term value creation.

Countries	Cities	
Czechia	Amsterdam	Madrid
Denmark	Barcelona	Milan
France	Cologne	Paris
Germany	Copenhagen	Stuttgart
Ireland	Dublin	Utrecht
Italy	Edinburgh	Wrocław
Netherlands	Florence	
Poland	Frankfurt	
Spain	Hamburg	
United Kingdom	London	

Total Assets Under Management

€2.75B

Number of Project Investments

34

Number of Assets

68

Total Asset Allocation

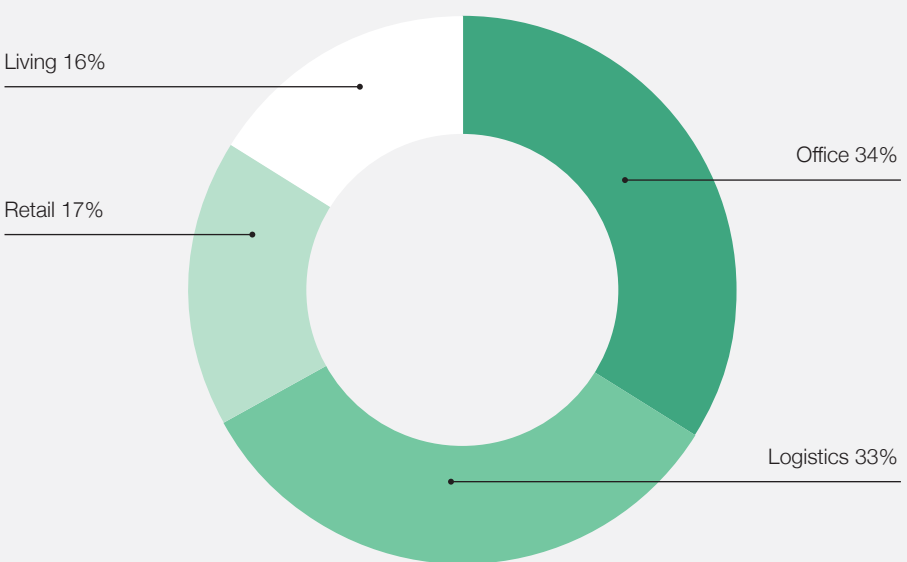
€3.07B

Occupancy

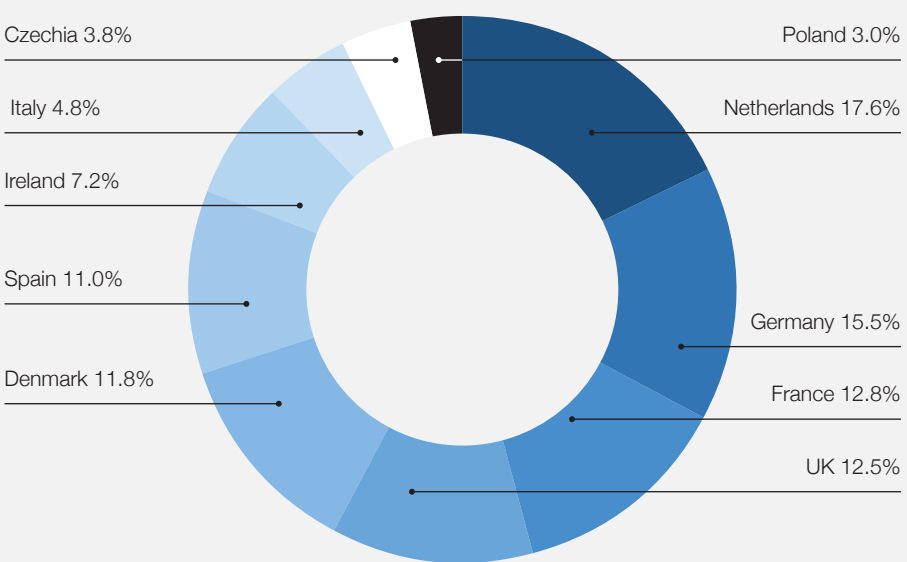
96.1%

DEEP DIVE ↗  
View the full HECF portfolio

Allocation by Sector



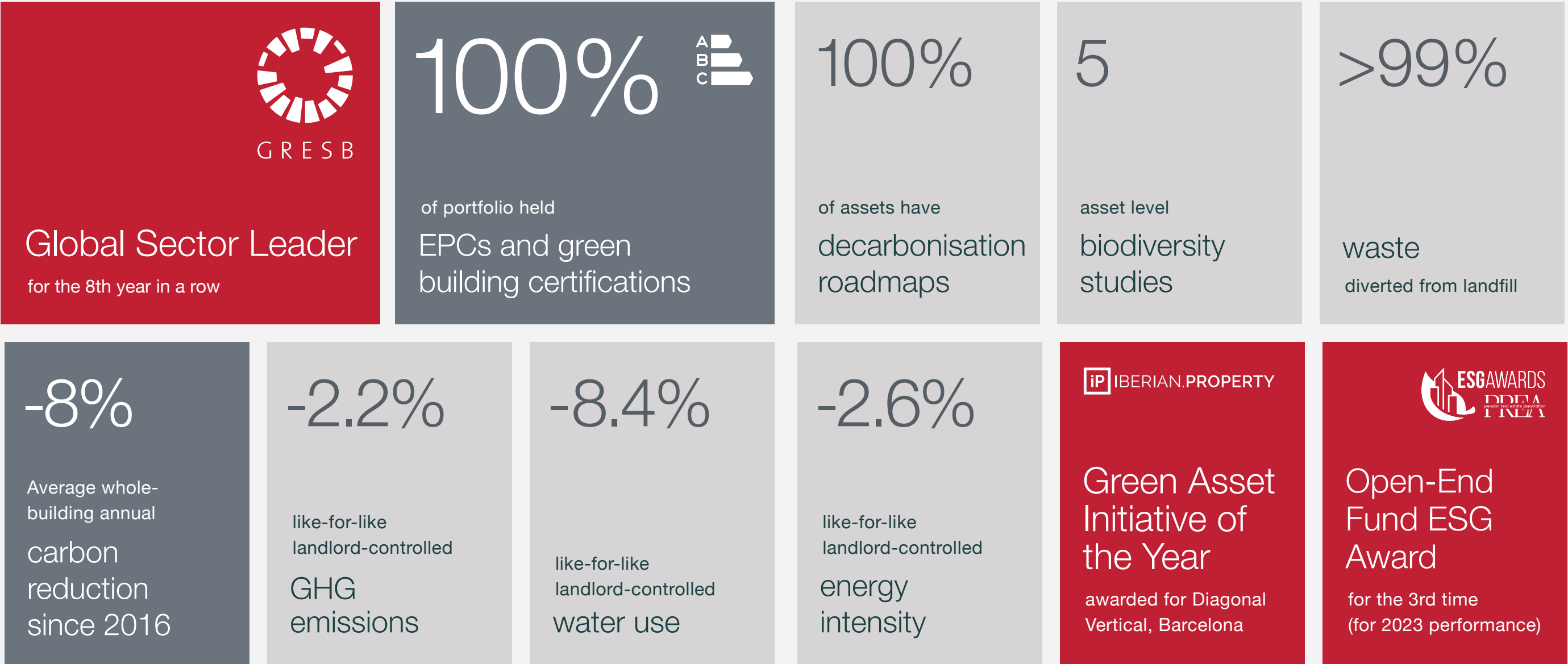
Allocation by Country



Via Tornabuoni, Florence



# 2024 HECF Highlights



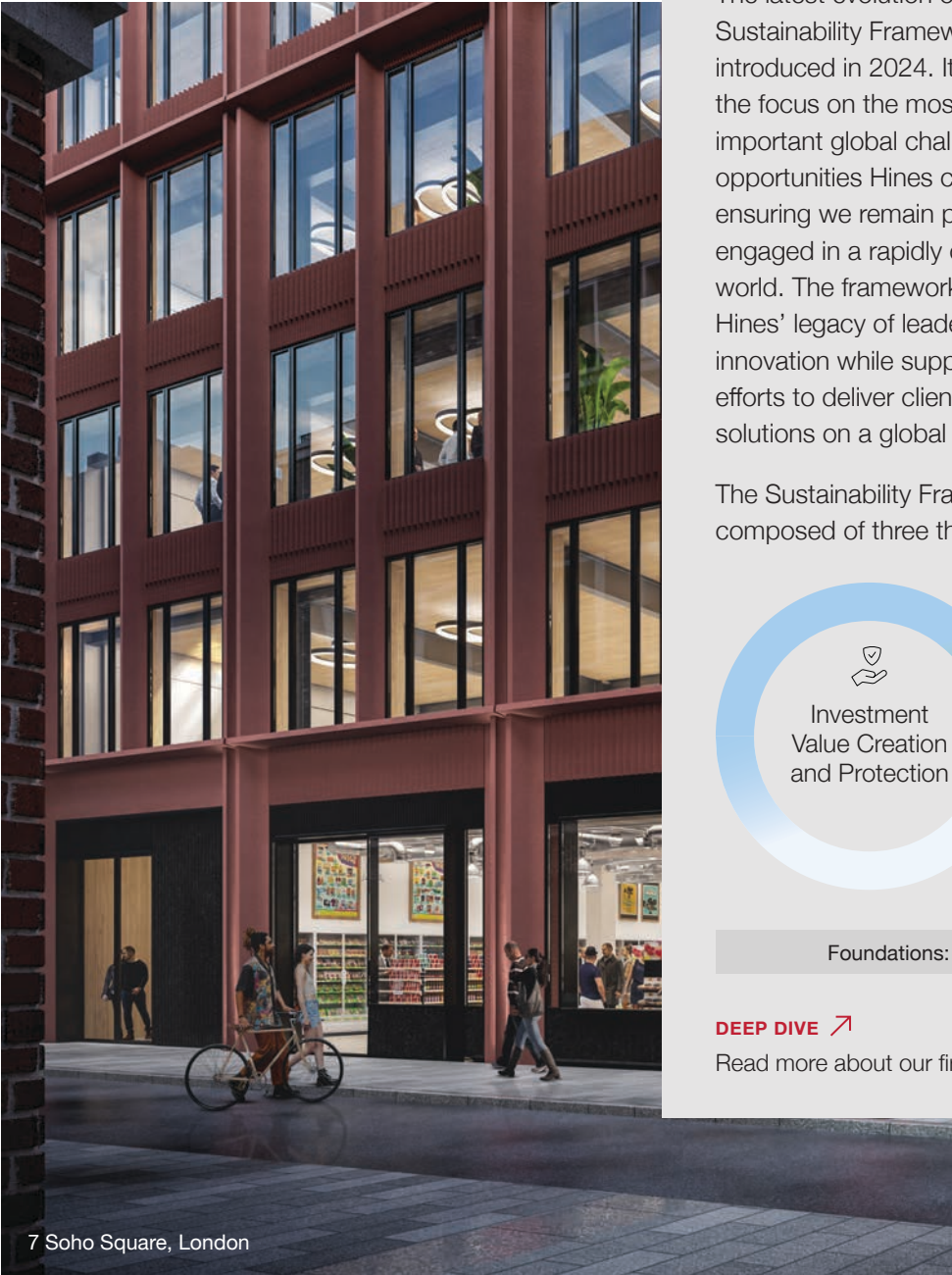


# Our Sustainability Focus and Goals

HECF prioritises sustainability throughout the investment life cycle, from acquisition to redevelopment, operation, and disposition.

We actively work to reduce energy consumption across our portfolio by using advanced technologies to boost efficiency and performance, and we implement decarbonisation initiatives to pave the way toward our ambitious carbon-reduction targets.

We also collaborate with our tenants to drive progress toward shared sustainability goals and strive to support and enhance the communities surrounding HECF assets.



7 Soho Square, London



## The Hines Sustainability Framework

The latest evolution of Hines’ Sustainability Framework was introduced in 2024. It sharpens the focus on the most material and important global challenges and opportunities Hines can address, ensuring we remain proactive and engaged in a rapidly changing world. The framework builds upon Hines’ legacy of leadership and innovation while supporting broader efforts to deliver client-centric solutions on a global scale.

The Sustainability Framework is composed of three themes, nine

focus areas, and key foundational elements, which align firm-wide targets, policies, and standards to drive value creation. It applies across all aspects of Hines – from corporate strategy and investment impact, to development and operations – and is reinforced by strong firm-wide governance.

The framework helps our Fund prioritise environmental and social initiatives that create and protect value at our assets and for our stakeholders.



Foundations: Data, Policies, Processes, Disclosures, and Reporting

**DEEP DIVE** [↗](#)  
Read more about our firm's Sustainability Framework.

**DEEP DIVE** [↗](#)  
View HECF's detailed sustainability timeline

## Sustainability Leadership from the Beginning

2006	HECF launches in June
2009	HECF obtains energy performance certificates for all assets Fund develops its first formal sustainability strategy
2013	HECF obtains DGNB In-Use Certificates – one of the first issued by the program
2015	Green leases introduced
2016	Fund launches an environmental management system (EMS)
2017	HECF is named <b>GRESB Private Diversified Global Sector Leader</b>
2018	90% of landlord controlled electricity procured from green tariffs
2019	100% asset coverage of green building certifications Sustainability assessments and action plans created for all HECF properties
2020	HECF wins <b>MSCI European Property Investment Award</b> for best performing pan-European balanced fund
2021	HECF achieves inaugural <b>PREA Real Estate Investment ESG award</b> Net zero commitment and decarbonisation roadmap approved by Fund board
2022	HECF becomes a Sustainable Finance Disclosure Regulation (SFDR) Article 8 fund
2023	Fund completes net zero roadmaps for 100% of applicable portfolio GAV HECF Social Competition launched
2024	Achieved <b>GRESB Global Sector Leader</b> for an unprecedented 8th consecutive year



# HECF Sustainability Progress Overview

DEEP DIVE ↗  
Review our detailed progress and targets

THEMES	FOCUS AREAS	2024 PROGRESS
<b>Investment Value Creation and Protection</b>  Sustainable Development Goals (SDGs): 9, 11, 12, 13, 17	<b>Investment Intelligence</b>	<ul style="list-style-type: none"><li>Analysed tenant leasing demand for green office and industrial space to understand supply vs demand in key markets for both new acquisitions.</li></ul>
	<b>Portfolio Management</b>	<ul style="list-style-type: none"><li>Earned GRESB Global Sector Leader for 8th year in a row and PREA ESG Award for 3rd year.</li><li>Completed ESG European Association for Investors in Non-Listed Real Estate Vehicles (INREV) Report to required INREV standards.</li><li>Continued to employ Sustainability Assessment and Action Plans (SAAPs) at all assets to help identify and implement sustainability opportunities.</li><li>Provided GRESB-specific training for investment management team.</li><li>Initiated EU Taxonomy assessment for the Mandate.</li></ul>
	<b>Innovation Leadership</b>	<ul style="list-style-type: none"><li>Piloted Occupier Engagement and Value Creation Program to link sustainability capital expenditure (CapEx) with tenant savings and improved financial performance at Royal Flora.</li><li>Participated in newly created Energy Reduction Competition.</li></ul>
<b>Environmental Stewardship</b>  SDGs: 9, 11, 12, 13, 17	<b>Building Operations and Performance</b>	<ul style="list-style-type: none"><li>Enhanced data coverage, quality and monitoring capabilities via the continued rollout of automatic data collection technology.</li><li>Decreased Scope 1 and Scope 2 emissions (-2.2%).</li><li>Decreased landlord energy intensity (-2.8%).</li><li>100% of assets with &gt;1year of operational data have net zero operational carbon roadmaps.</li></ul>
	<b>Sustainable Design and Materials Circularity</b>	<ul style="list-style-type: none"><li>44,000 kgCO2e saved at Diagonal Vertical through retaining existing façade elements in refurbishment.</li><li>Utilised hybrid timber structure design at 7 Soho Square to reduce embodied carbon and leverage regenerative materials.</li><li>Completed whole life carbon assessments (WLCAs) at Diagonal Vertical and 7 Soho Square to drive whole life carbon reductions.</li></ul>
	<b>Climate and Nature Risk</b>	<ul style="list-style-type: none"><li>Continued to report against Task Force on Climate-related Financial Disclosures disclosure requirements.</li><li>Conducted new physical climate risk assessments for entire portfolio.</li><li>Obtained biodiversity assessments for Caleido, Friesen Quartier, Marianella, South Dock, and Trikotageparken.</li></ul>
<b>Thriving Communities</b>  SDGs: 3, 5, 8, 10, 11, 12, 13, 17	<b>People-Centric Places</b>	<ul style="list-style-type: none"><li>Obtained WiredScore at Caleido and ActiveScore at Enfield, Amazon, and Dnata.</li></ul>
	<b>Talent and Culture</b>	<ul style="list-style-type: none"><li>Employee sustainability objectives were broadened from investment management functions to the European platform as a whole.</li><li>Several Health and Well-being trainings were provided by Human Resources over the course of 2024.</li><li>Hines employees received multiple internal sustainability training sessions, covering GRESB, sustainability best practices, legislation and key emerging topics.</li><li>At 7 Soho Square, at least 20 work experience placements and 20 apprenticeships are planned for locals during construction.</li></ul>
	<b>Building Economic Resilience</b>	<ul style="list-style-type: none"><li>Continued to participate in Business Improvement Districts (BIDS) and community stakeholder groups.</li><li>HECF team spent a day volunteering for Habitat for Humanity, upcycling furniture and repurposing items for vulnerable groups.</li><li>7 HECF properties participated in Building Better Communities program.</li></ul>
<b>Foundations</b> SDGs: 12, 13, 17		<ul style="list-style-type: none"><li>100% of landlord-controlled assets have sustainability objectives established and incorporated into their business plans.</li><li>Achieved 99.8% energy data coverage.</li></ul>



# Investment Value Creation and Protection

Sustainability is core to HECF's investment strategy. We believe it drives financial performance by enhancing long-term asset value, mitigating risks, and delivering resilience in a rapidly evolving market. We believe, integrating efficiency and performance metrics into investment decision-making also strengthens asset competitiveness and aligns with investor and occupier expectations – ultimately helping to support stronger returns and portfolio stability.

In alignment with the Hines Sustainability Framework, we leverage investment intelligence, integrating environmental and social value into portfolio management, and fostering innovation. These strategies keep the

HECF portfolio competitive, adaptable, and positioned for sustainable growth.

## Investment Intelligence

The Fund team utilises investment intelligence to anticipate market trends and tenant preferences, strengthen asset positioning, and understand climate risks across the portfolio. This data-driven approach helps us adapt to evolving tenant expectations and regulatory landscapes, enhances portfolio resilience, and safeguards long-term value for investors.



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Partnering with Hines aligns with our objective to foster resilient and future-ready portfolios, as demonstrated by consistently strong GRESB ratings. This level of sustainability performance underscores the impact of responsible investment management, reinforcing our shared vision of sustainable value creation.

**AMILCAR GROT, CFA, CAIA**  
Senior Portfolio Manager Real Assets,  
Achmea Investment Management



## Green Premium or Brown Discount?

The Fund evaluated tenant demand for green, low-carbon office and industrial space over the next five to seven years, identifying supply-demand gaps that could affect occupancy rates, tenant absorption speed, and overall market competitiveness. This assessment highlighted regions where an undersupply of sustainable assets presents opportunities to secure green premiums and areas at risk of brown discounts due to market shifts toward sustainability compliant properties.

At Essen, in the Ruhr region of Germany, our findings indicated a shortage of green industrial assets relative to demand, suggesting that repositioning properties with best-in-class sustainability credentials could drive stronger tenant demand.

## Due Diligence

In Europe, every potential acquisition is evaluated using **Hines' ESG Due Diligence Scoping Document** and **ESG Development Brief** (for major refurbishments), assessing key criteria such as alignment with the Carbon Risk Real Estate Monitor (CRREM), energy consumption data, fossil fuel presence, and feasibility for on-site renewables. The review also considers certifications, regulatory compliance, and physical climate risks.

During underwriting, we employ tools such as the **Hines Carbon Impact Assessment Tool** and **District Energy Guide** to understand each asset's carbon intensity today and projected into the future. We also leverage a best-in-class third-party platform to assess climate risk exposure and provide initial guidance on climate mitigation and adaptation measures. The insights compiled through our due diligence process guide decision-making and help us shape strategies and business plans for each asset.

**DEEP DIVE** ↗

Learn more about Hines' asset-level due diligence tools





# Portfolio Management

Sustainability action plans guide energy efficiency, carbon reduction, and tenant well-being across all assets, helping us to align environmental, social, and financial performance. Our focus on reducing operational carbon, minimising embodied carbon in refurbishments, and enhancing building health helps differentiate the Fund in the marketplace while driving continuous portfolio-wide improvement.

The Fund’s **Environmental Management System (EMS)** was fully updated in 2024 to align with more ambitious targets, including biodiversity loss and embodied carbon. It is supported by Hines’ EMS for Europe, which is audited by Bureau Veritas and **ISO 14001 certified** annually. The EMS follows a Plan-Do-Check-Act framework, ensuring sustainability risks and opportunities are assessed, implemented, monitored, and refined.

**DEEP DIVE**   
Learn more about our EMS



## HECF Team Attends Europe Sustainability Offsite

Fund Manager Simone Pozzato and HECF asset and property managers participated in the annual Europe Sustainability Offsite in Paris. Discussions focused on decarbonisation, energy efficiency, and financial resilience — key priorities for our Fund.

The team contributed to presentations highlighting the investor perspective, including how improving assets’ energy performance can create shared value for landlords and tenants.

The event featured HECF’s leading asset-level initiatives including:

- Royal Flora’s tenant engagement initiative, showcasing how sustainability CapEx can result in higher nominal rental levels
- Eurosquare’s participation in a rigorous energy sobriety program and the innovative Cube Energy Reduction Competition
- Via Torino’s community engagement programme, as part of the Building Better Communities Competition

## Sustainability Expertise

The HECF portfolio has benefitted from Hines’ holistic approach to sustainability strategy and implementation.

A team of experts drives a comprehensive agenda across Hines’ European platform, providing guidance from acquisition to implementation, including:

- Coordinating regional carbon reduction standards and initiatives
- Defining social programmes that support stakeholder engagement
- Implementing transparent and accountable governance frameworks

The **Europe Sustainability League** fosters knowledge-sharing and upskilling across key roles in asset management, development, property management, and acquisitions.

**Country-level sustainability task forces** align local initiatives with Fund and firm goals, driving effective implementation and continuous improvement.

HECF portfolio managers undergo sustainability training tailored to their roles, including training with a bespoke section for investment managers. This is supplemented by GRESB training and the integration of sustainability objectives into their annual goals.

This structured approach enhances consistency across the HECF portfolio.



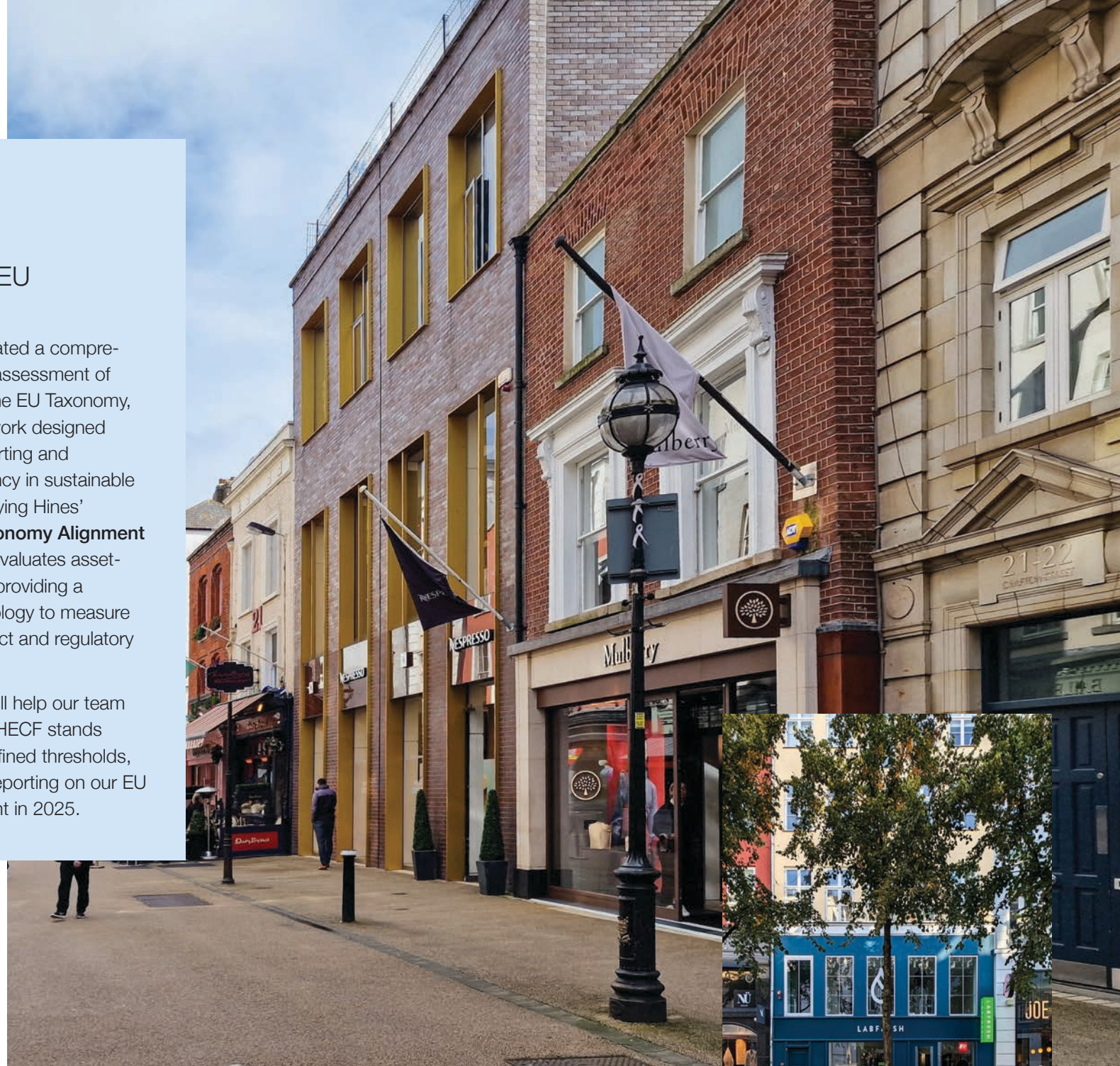




## Aligning with EU Taxonomy

In 2024, HECF initiated a comprehensive alignment assessment of each asset under the EU Taxonomy, a regulatory framework designed to standardise reporting and enhance transparency in sustainable investments. Deploying Hines' proprietary **EU Taxonomy Alignment Tool**, this process evaluates asset-level performance, providing a structured methodology to measure environmental impact and regulatory compliance.

This assessment will help our team understand where HECF stands against industry-defined thresholds, and we will begin reporting on our EU Taxonomy alignment in 2025.



Above: Grafton Collection, Dublin  
Right: Købmagergade, Copenhagen

## Green-linked Finance

**HECF's green finance framework** links sustainability performance to financial incentives. Aligned with the ICMA Green Bond Principles and LMA Green Loan Principles (2021), the framework provides a structured platform for issuing green bonds, loans, and promissory notes, directing capital toward projects with measurable environmental benefits.

In 2024, €101.3 million was made available through this mechanism, unlocking preferential repayment terms for assets that demonstrate performance improvements. By channelling investment into high-performing, low-carbon assets, the framework drives sustainability progress at the Fund and contributes to the growth of the green finance market.

## Standards and Frameworks

We utilise sustainability frameworks to drive improvement and benchmark progress. HECF aligns with SFDR Article 8 and met all SFDR Article 8 reporting requirements in 2024. We maintain a dedicated EMS that is **ISO 14001-certified** annually by Bureau Veritas at the European Investment management level, and we map our sustainability objectives to the **UN Sustainable Development Goals (SDGs)**.

Our annual investor reports are **INREV aligned**, with data assured against the **AA1000 standard** by IHS Markit, and include **social KPIs** for the first time.

We utilise **climate risk assessments** to inform acquisition and risk management processes and help us embed **climate adaptation and resilience strategies** across our portfolio.

Additionally, our **Sustainability Assessment and Action Plans (SAAPs)** are updated throughout the year, helping us to identify progress toward asset-level sustainability strategies, including energy performance certificate (EPC) and other certification levels, upgrades and renewals, climate risks, tenant engagement, and community impact.



**BUREAU  
VERITAS**



# GRESB Global Sector Leader

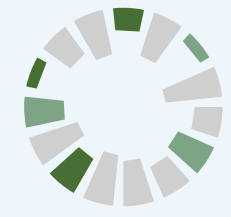
out of 465 entities



Five out of five stars

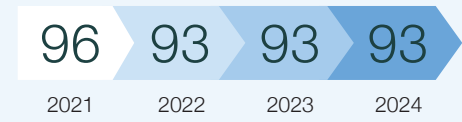
## Regional Sector Leader out of 263 entities

## Peer Group Leader out of 117 entities



G R E S B  
★★★★★ 2024

Participation and Score



# PREA Open-End Fund ESG Award

Selected for the 3rd time from 31 competing funds



# Iberian Property Green Asset Initiative of the Year

Awarded for Diagonal Vertical, Barcelona



## Recognised by PREA and GRESB

In 2024, HECF continued to set the standard for sustainable real estate investment, earning top recognition from both PREA and GRESB.

HECF has maintained its position as a **Global Sector Leader** for the Diversified sector within the GRESB Standing Investments Benchmark for **eight consecutive years**. The Fund consistently outperforms an ever-growing number of peers in one of the most competitive benchmarks in the industry.



# Innovation Leadership

HECF serves as an incubator for innovation at Hines. Our team pilots cutting-edge sustainability approaches that drive progress at the portfolio and asset level. By leveraging emerging technologies, industry partnerships, and data-driven strategies, we develop best practices that can be scaled across Hines’ European platform.

In 2024, we continued to explore new business models and operational efficiencies designed to accelerate decarbonisation, climate resilience, and energy efficiency. Building on our work with the **Urban Land Institute (ULI)** and **C Change**, an initiative to integrate climate mitigation into asset valuation, we continued to refine our approach to quantifying the financial impact of net zero carbon investments with a deeper focus on the relationship between energy efficiency improvements and income growth.



## Driving Value at Royal Flora

In 2024, Hines developed an **Occupier ESG Engagement & Value Creation Guide** to equip asset managers with a framework to connect sustainability investments with rental income growth and valuation enhancement. By linking CapEx to financial performance, we can show that sustainability upgrades deliver both environmental and economic benefits, including energy efficiency, lower operational costs, and stronger asset value.

At Royal Flora, a logistics investment in the Netherlands, the local team applied this strategy at one unit by implementing heat pumps and solar photovoltaics (PV), significantly reducing the tenant’s operational energy use. While the Fund financed these upgrades, we are recovering costs



through higher rental income, which may lead to enhanced asset valuation when capitalised. Crucially, lower energy expenses delivered through the upgrades support tenant affordability and long-term occupancy.

This initiative builds on insights gained from deploying the C Change Transition Guidelines at Noortse Bosch in 2023, an early example of our ability to align decarbonisation with financial performance.



# Environmental Stewardship

Building value through environmental stewardship is a top priority for HECF. We continue advancing toward low impact operations, without the use of carbon offsets, by scaling renewable energy, efficiency, and decarbonisation efforts across the portfolio, and our asset teams are equipped with dedicated budgets and strategic guidance to incorporate energy efficiency upgrades and emissions reduction initiatives into their business plans.



## Our Net Zero Targets

Scopes 1 and 2 by

2030

Scopes 3 by

2040

## Building Operations and Performance

HECF is committed to improving building performance and reducing operational carbon emissions through energy-efficient practices and sustainable innovations. We track and report on environmental performance – with 99% utility data coverage across the portfolio – and continue to improve environmental data quality and monitoring through smart building technology.

Throughout 2024, the team used Hines’ Carbon Impact Assessment Tool, built on the CRREM framework, to track and reduce environmental impacts at standing assets. This proprietary tool integrates energy and emissions data, district energy inputs, and waste and water data, to provide a comprehensive model that helps us understand each asset’s impacts and risks, and create plans for addressing them.

### Decarbonisation

Our team has used CRREM tool for a number of years to track Fund and asset-level performance toward Paris agreement 1.5-degree targets.

Used alongside the decarbonisation audits procured for all HECF assets with more than one year of operational data, CRREM helps us prioritise decarbonisation measures across the portfolio.

The current CRREM stranding date for the portfolio is

2034<sup>2</sup>

DEEP DIVE ↗

Read more about Hines’ asset-level sustainability tools and resources



From Audits to Implementation Plans

In 2024, HECF team members were part of a larger working group established to bridge the gap between decarbonisation audits and actionable plans. We developed a structured approach that moves beyond insights and theoretical reviews to provide a clear pathway to asset-level decarbonisation. The process supports best-in-class execution to minimise risk and target the highest standards.

We piloted this process at Caleido, an office asset in Stuttgart, Germany, and Marianella, a residential asset in Dublin, Ireland, implementing a methodology designed to:

- Maximise the accuracy of inputs and analysis in decarbonisation planning
- Optimise operational efficiencies with existing plant and equipment
- Deploy intelligently selected and impactful CapEx investments
- Maintain operational standards once assets achieve low-carbon status

We are proactively rolling out operational efficiencies and minor CapEx upgrades to make immediate progress toward decarbonisation goals while developing full-scale implementation plans for both assets.



Marianella, Dublin



Decarbonisation Pilot

Marianella (Dublin, Ireland)

Engineering analysis uncovered insulation that was not built to specification, leading to excess energy consumption. Targeted efficiency upgrades are now underway to reduce energy use and waste. Key measures include:

- Building management system (BMS) upgrades to improve operational efficiency
- Transition from gas to electric heating and hot water using air source heat pumps (ASHP)
- Lower flow temperatures to cut consumption and enhance performance

Caleido (Stuttgart, Germany)

Despite the high construction quality at Caleido, we identified operational efficiency as a key area for improvement. Our upgrades will enhance indoor air quality, tenant comfort, and energy performance while reducing emissions. Actions include:

- Heating set point adjustments and zoned thermostats to optimise consumption
- Ventilation and conditioning system improvements for ancillary spaces
- Switching to ASHP and increasing thermal storage for greater efficiency and resilience



# Operational Efficiency

The HECF team focuses on improving operational efficiency across the portfolio. Our standards cover energy, water, waste, and carbon, alongside tenant engagement approaches to facilitate efficient behaviours. We embed comprehensive sustainability requirements into operational and property management service level agreements.

We utilise smart building technologies to improve energy performance, track resource consumption, and enhance health and well-being features within our assets. Carbon impact assessments and yearly performance tracking help us to translate operational efficiency measures into tangible emissions reductions and cost savings.

## Monitoring and Targeting

Our monitoring and targeting (M&T) programme leverages external consultants to review operational energy use at the Fund’s landlord-controlled assets, comparing real-time data against optimal efficiency models. Combined with historic consumption data, these insights help our on-site teams refine building operations and identify targeted CapEx improvements to enhance energy performance and cost efficiency.

At Portland Towers, our Monitoring & Targeting programme helped identify measures to reduce our tenant’s heating consumption by

20%

without the need for CapEx.



Portland Towers, Copenhagen



Data Collection

HECF is proud to have strong data coverage across our portfolio. In 2024, we took steps to further enhance data collection and analysis capabilities and improve portfolio-wide sustainability tracking.

We use the **Carbon Impact Assessment Tool**, powered by the CRREM framework, to assess the challenges and opportunities associated with decarbonising at our assets. This tool provides a standard, central platform for collecting and evaluating asset- and portfolio-wide operational data, including stranding risk analysis.

To improve efficiency in multi-tenant logistics assets, our team is onboarding **Metry**, an automated data collection platform. We are also aligning with Hines’ global efforts to integrate data into the **Scaler** Global platform which will complement the Carbon Impact Assessment Tool and the firm’s global data hub to enhance portfolio-wide metrics and insights.

99.8%

energy data coverage across the portfolio



Environmental Performance

Since 2017, HECF has experienced continuous annual reductions in landlord controlled and whole building energy and GHGs.

7-YEAR AVERAGE REDUCTION  
(2017 TO 2023)

Landlord energy	-7%
Landlord GHGs	-9%
Whole building energy	-5%
Whole building GHGs	-8%

LANDLORD LIKE-FOR-LIKE REDUCTION  
FROM 2023 TO 2024

Energy consumption	-2%
GHGs	-3%
Water	-8%
Waste	-9%

Chatham & King, Dublin



Renewable Energy

We prioritise renewable energy across the HECF portfolio. Our team actively encourages tenants to switch to renewable energy tariffs, engaging with occupiers to facilitate the transition. Additionally, we conduct Solar photovoltaics (PV) feasibility assessments at relevant assets to flag opportunities for on-site renewable generation.

In Germany, Hines has secured a nationwide **power purchase agreement (PPA)** that delivers low-carbon electricity to HECF assets, including Friesen Quartier, Caleido, Domkaskaden, and Werfthaus. The PPA supports electricity procurement from renewable sources, significantly reducing the carbon intensity of these assets and advancing HECF’s net zero ambitions.

Green Building Certification

HECF maintains 100% coverage of green building certifications and EPCs across the portfolio, reinforcing our dedication to best-in-class standards. In 2024, we advanced efforts to enhance EPC and building certification ratings, leveraging optimisation reports to identify improvement opportunities.



213 Rue Saint-Honoré, Paris



Energy Reduction Competition

In 2024, Hines launched a six-month energy reduction challenge for European office assets, focusing on operational improvements. Of the 15 participating buildings, nine were HECF properties: Portland Towers, Eurosquare, La Manufacture, St. Honoré, Werfthaus, Domkaskaden, Friesen Quartier, Caleido, and Chatham & King. The competition extended to both landlord and tenant spaces, making tenant collaboration a critical factor in achieving meaningful reductions.



Domkaskaden, Hamburg

100% of HECF assets have or are targeting green building certificates

Certificates across 46 assets

58

BREEAM certified buildings

40

DGNB certified buildings

4

DEEP DIVE ↗

Review our certifications by asset.

RENEWABLE ENERGY

Landlord-procured electricity from green tariffs

100%

Whole building electricity from renewables

83%

Assets with on-site renewable energy systems

11



## Tenant Engagement

Achieving net zero Scope 3 carbon emissions requires tenant participation. To reach our target, we support our tenants’ sustainability journeys and collaborate with them to integrate efficiency and decarbonisation efforts into their spaces and operations.

Our team provides guidance and tools including the **Hines GREEN OFFICE™ (HinesGO)** and **Hines GREEN RETAIL™ (HinesGR)** programmes, which offer structured frameworks for tenants to set and track their goals. Our asset and building management teams support tenants with strategies from the firm’s **Client Engagement for Decarbonization Guide** – including converting to green tariffs, improving sustainable waste management, and enhancing energy efficiency – and encourage them to form their own green building committees to foster ongoing collaboration.

## Green Leases

Green lease language is a critical tool in our tenant-focused decarbonisation efforts. HECF’s green leases set clear expectations for tenants and boost collaboration through clauses related to data sharing, metering access, and renewable energy procurement. They require tenants to designate a sustainability contact and include split-incentive clauses to distribute savings from efficiency-driven CapEx investments fairly.

### Collaboration at Eurosquare

The **Green Building Committee** at Eurosquare fosters collaboration between occupiers, the asset manager, and the property manager, aligning collective sustainability strategies and goals. Meeting quarterly, the committee reviews building operations, energy and water consumption, landlord action plans, tenant commitments under the green lease, best practices, and local regulatory updates.



## Sustainable Fit-outs

Created in 2024, Hines’ **Sustainability Tenant Fit-out Guide** helps occupants understand the benefits of prioritising efficient, low-carbon solutions in a fit-out – including greater flexibility, energy savings, reduced costs, and improved well-being – and how to accomplish it. We use best efforts to present the guide to all stakeholders involved in fit-out projects at the earliest possible stage, to help drive decision-making.



39.3%

green lease coverage across the portfolio (+3.3% versus 2023)

DEEP DIVE ↗

Learn more about our tenant-focused sustainability resources





# Sustainable Design and Materials Circularity

HECF uses **Hines' ESG Development Brief** to set project-level sustainability targets aligned with our Fund's broader development and refurbishment strategy. The brief outlines best environmental, social, and governance practice with particular focus on operational efficiency, and helps our team integrate these objectives into project plans for relevant assets.

The ESG Development Brief outlines best practices for teams to consider around circularity and embodied carbon.

## Circular Economy (including waste)

- Responsibly sourced materials
- Circularity in building design and construction techniques
- Divert construction and demolition waste from landfill

## Embodied Carbon

- Embodied carbon baseline, methodology, and improvement
- Leverage Hines' Embodied Carbon Reduction Guide

We have leveraged these principles in the redevelopment planning for Diagonal Vertical and 7 Soho Square, with particular focus on retention of existing structures, WLCAs, and plans for materials at end of useful life.



## Cutting Carbon through Renovation

Diagonal Vertical, a high-rise refurbishment project that began in 2021, was completed in 2024 with best-in-class sustainability credentials.

Our team reduced the asset's carbon footprint while preserving its iconic character – essential for its status as a protected heritage site – through an innovative mix of materials reuse, full electrification, and on-site renewable energy, leveraging PV glass to improve thermal transmittance and efficiency.

### By the numbers:

- 37% embodied carbon reduction (when compared to new construction)
- 100% green electricity
- 60% reduction in energy consumption
- 90% reduction in heating demand
- 19% reduction in cooling demand
- PVs estimated to generate 110,000kWh/year

The project is targeting platinum ratings across LEED®, WELL, WiredScore, and SmartScore.

### DEEP DIVE ↗

Learn more about Diagonal Vertical



Diagonal Vertical, Barcelona



## Assessing and Managing Climate Risk

In 2024, HECF experienced first-hand the value robust climate risk modelling can offer.

A third-party consultant evaluated a newly acquired logistics asset in Valencia as having low flooding risk, yet it was impacted by severe flooding later in the year. A reassessment using a best-in-class platform, Climate X, revealed the highest possible risk of flooding, underscoring the importance of predictive climate models over static historical data. We now conduct climate risk assessments that leverage forward-looking projections across all assets and have internalised this process at Hines to ensure high-quality outputs.

At Raunheim, a logistics asset in Frankfurt, Germany, this upgraded risk assessment methodology flagged high flooding exposure. We are incorporating the assessment's estimated mitigation CapEx into the business plan for the asset.

## Climate and Nature Risk

Climate risk assessments and carbon intensity analysis are critical to our sustainability strategy, helping us proactively identify and mitigate transition and physical risks at the asset and Fund levels.

Using insights from a best-in-class third-party platform that relies on predictive modelling, we are evaluating hazards such as flooding and heat stress across multiple climate scenarios and time horizons to inform investment decisions and asset management strategies.

Insights from these assessments are helping us identify vulnerabilities and shape risk mitigation plans that protect long-term value at new and existing investments.

HECF also aligns with the **Task Force on Climate-related Financial Disclosures (TCFD)** framework, now part of the International Financial Reporting Standards (IFRS). We follow TCFD's four pillars – Governance, Strategy, Risk Management, and Metrics and Targets – and report against all 11 disclosures.

**DEEP DIVE** ↗

Review our TCFD disclosures



Raunheim, Frankfurt

## Save Bees, Save the Planet

As part of our urban biodiversity efforts, we installed beehives at Friesen Quartier, Domkaskaden, Werfthaus, and Caleido, creating new habitats for over 50,000 bees. These installations support local pollination and ecosystem health, and tenants enjoy the connection to nature and delicious local honey.



## Biodiversity

HECF is advancing biodiversity initiatives across the portfolio to support tenant well-being, ecosystem recovery, and climate resilience.

In 2024, we launched a biodiversity governance workstream and conducted screening assessments at five assets with significant potential for improvement. Results of these assessments revealed site-specific enhancements and provide more robust reporting against the **Task-force on Nature-related Financial Disclosures (TNFD)**.

A TNFD gap analysis is currently underway to inform how the Fund's governance structures can be improved to ensure biodiversity impacts are understood and risks mitigated.

At five sites across Europe, evaluations highlighted the ecological role of existing green roofs and tree corridors, which serve as habitats for birds, bats, and invertebrates. With no statutory biodiversity restrictions, these assets offer flexibility in implementing cost-effective enhancements, including the installation of wildlife shelters and expanded tree cover. We will evaluate and seek to incorporate these strategies into long-term Biodiversity Action Plans for our assets.

# 10%

biodiversity net gain target in our ESG Development Brief





CASE STUDY

# Prioritising Efficiency and Community at 7 Soho Square

HECF is integrating best-in-class principles into the redevelopment of 7 Soho Square, a landmark office asset in the heart of London.

With our goal of achieving top-tier green building certifications, we are using the ESG Development Brief to guide the project, striving for sustainability across design, construction, and long-term operation. We obtained a full physical climate risk assessment for the asset to ensure any required risk mitigation measures are factored into the design.

## Operational Carbon

The project team aims to reduce operational carbon emissions by utilising a “Passivhaus” inspired design, which incorporates enhanced insulation and

air-tightness. A shift to fossil fuel-free energy systems includes planned on-site solar PV, while high-efficiency heat pumps will generate heating and hot water. We are targeting operational energy performance certification through NABERS UK, the highest industry benchmark for efficiency.

## Embodied Carbon and Circularity

A deconstruction audit guided reuse and recycling of existing materials with the goal of diverting most non-hazardous waste from landfill. New materials are being selected based on recycled content and ease of future disassembly and reuse, including a low-carbon hybrid timber structure with cross-laminated timber flooring and reclaimed steel.

### CERTIFICATION TARGETING

BREEAM®

BREEAM  
Excellent



EPC  
A



WELL

85%

steel re-purposed from other sites (targeting)

21%

of basement structure being retained

11%

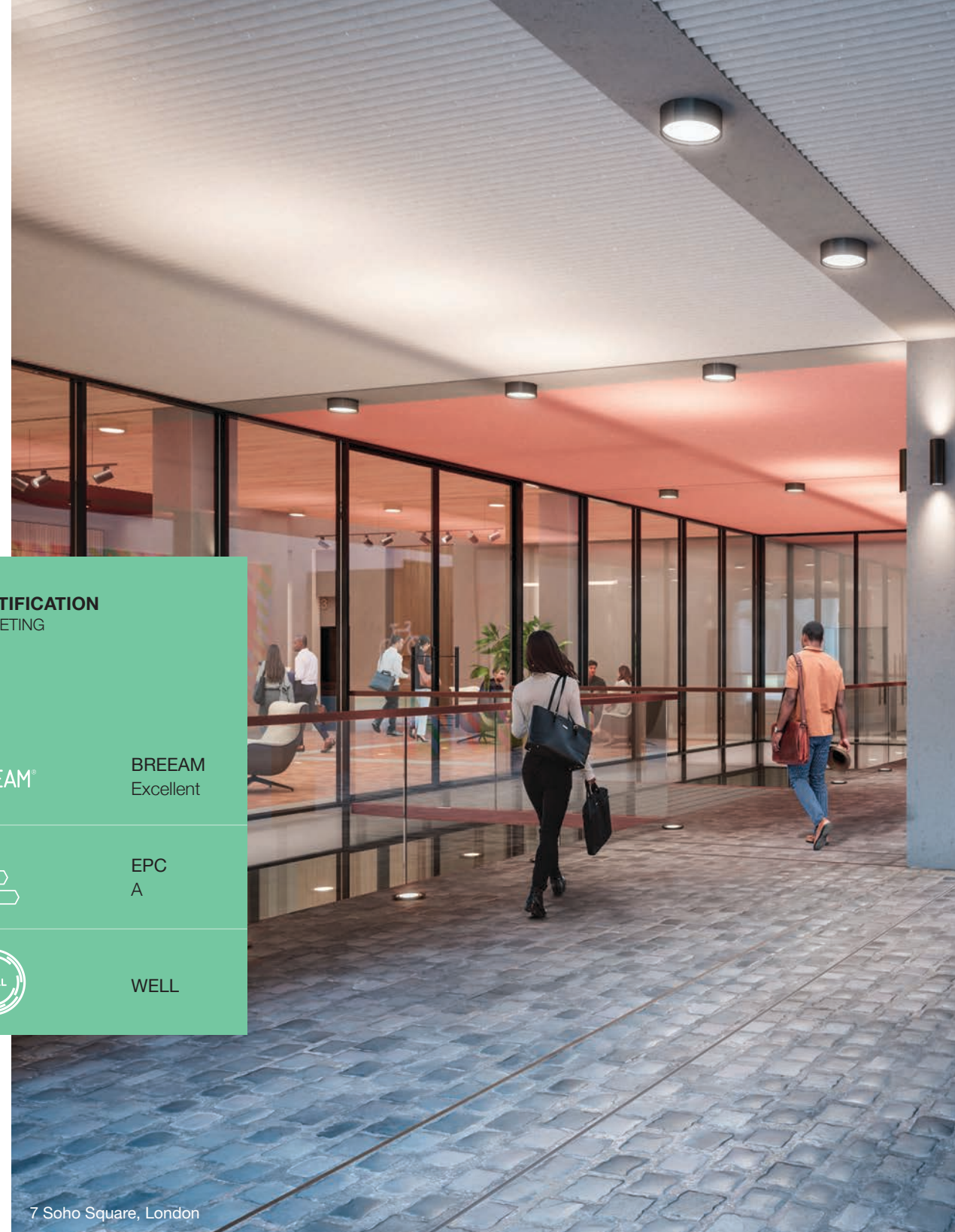
non-hazardous construction waste and demolition waste diverted from landfill (targeting)

## Biodiversity and Water

The project is also making strides in biodiversity – with a projected net gain of 840% – and prioritising water efficiency by using low-water-use fittings that minimise consumption.

## Community Benefit

The team conducted a community needs assessment using Hines’ Social Value Portal, which informed strategies including the creation of local construction and operational jobs to support economic growth in the area. The asset will feature world-class end-of-trip cycling facilities to encourage active and low-carbon transport, reduce congestion from car traffic, and enhance occupant well-being. ■



7 Soho Square, London



# Thriving Communities

HECF is dedicated to creating people-centric places that enhance tenant well-being, community engagement, and economic resilience. By designing healthy, vibrant spaces and supporting local initiatives, we foster connections between our assets and their surrounding communities. Through active placemaking, social programming, and partnerships, we aim for investments that deliver positive social impact while reinforcing long-term economic stability.

## People-Centric Places

As part of our strategy, we strive to create and manage spaces that prioritise human and community well-being, so our assets contribute to healthy, inclusive, and economically resilient environments.

Our ESG Development Brief sets clear social impact targets for all developments and refurbishments, focusing on purposeful construction, economic development, affordability, and workforce well-being.

In 2024, we expanded our social initiatives to better support tenants, employees, and local communities by integrating well-being programmes and placemaking strategies into the portfolio.



Grafton Collection, Dublin

### HEALTH AND CONNECTIVITY CERTIFICATIONS

Fitwel and WELL

3

ActiveScore

3

WiredScore

1

## Health and Connectivity

We prioritise health and connectivity to provide pleasant and productive environments for the people who live and work in our buildings.

In 2024, HECF began utilising ActiveScore, a certification that benchmarks assets against Active Travel standards and celebrates buildings designed to promote walking, cycling, and overall well-being. Our Enfield, Amazon, and Dnata assets earned this certification.





# Economic Resilience

HECF is committed to investing in and developing assets that strengthen economic resilience for people and communities. Our development brief includes targets for economic development, including creating local employment opportunities, supporting small businesses, and contributing to long term economic stability in the areas where we operate.



## Building Social Value at 7 Soho Square

HECF utilises **Social Value Portal**, a third-party consultant, to assess social value needs, prioritise implementation, and measure impact.

As part of the 7 Soho Square refurbishment, we leveraged the Social Value Portal to review local needs and help deliver meaningful benefits to the Westminster community. The portal helped our team understand

and address priority initiatives through our project plan, which will enhance public amenities, support local employment and training, and create lasting social impact through heritage, public art, and community engagement initiatives.

Planned Community Investments:

- **Food Retail Store** – A dedicated space to improve local food access
- **Public Amenities Contribution** – Investment in upgraded public WC facilities in Soho
- **Employment and Training** – At least 20 work experience placements and 20 apprenticeships for Westminster residents during construction
- **Heritage and Public Art** – Space allocated for local heritage displays and public art installations
- **Ongoing Community Programmes** – Five work experience positions and three apprenticeships per year during building operation
- **Youth Development Partnerships** – Collaboration with 2–3 Degrees to provide personal and professional development opportunities
- **Support for Fairer Westminster** – Working with Westminster Council to align with its Fairer Westminster Delivery Plan



Grafton Collection, Dublin



## Community Engagement

Our team actively partners with local organisations and **Business Improvement Districts** (BIDs) to enhance community vitality, improve public spaces, and support social and environmental sustainability. By working at the grassroots level, the Fund supports local needs and contributes to the long-term health and resilience of urban areas.

In 2024, HECF continued to remain partnered with the following BIDs:

- København City Centre BID in Copenhagen
- Cheapside BID in the City of London

- We Are DublinTown BID in Dublin
- Rathausquartier BID in central Hamburg
- Stichting NDSM Local Foundation in Amsterdam

### Fund Team Volunteering

In 2024, the HECF team partnered with **Habitat for Humanity** to transform unused spaces into homes for vulnerable groups, including refugees, domestic abuse survivors, and low-income families. As part of this initiative, we spent a day upcycling furniture, providing high-quality, repurposed items to create safe, comfortable living spaces for those in need.



HECF team members spent the day volunteering for Habitat for Humanity, an organisation that turns unused spaces into housing for those in need.



# Building Better Communities Competition

In 2024, we rebranded the successful HECF Social Competition to include seven Hines investment vehicles. Now called the Building Better Communities Competition, the mission remains the same: to encourage asset and property managers to forge stronger connections with surrounding communities and tenants through innovative and impactful social efforts.

Here are some highlights from country teams across Europe:

## Hines Nordics

### Tower Run

Scheduled on World Heart Day and held at HECF’s iconic Portland Towers, this challenge brought together 41 enthusiastic participants from across Hines for a race to climb the tower’s 12 floors as many times as possible. A total of 20,000 Danish krone were raised for the Heart Association.

## Hines Germany

### Clean Starts, Fresh Futures

Our Domkastaden team and tenants gathered clothing donations for GoBanyo, a charity providing essential needs like

warm clothes and a free shower bus to those living on streets of Hamburg.

### Together Against Blood Cancer

To help combat blood cancer, tenants at Friesen Quartier, Domkaskaden, and Werfthaus were invited to register as stem cell donors, with registration fees generously covered by Hines.

### Give Hope, Empower Women

The tenants at Caleido’s Perbacco and Claus Café served waffles and pumpkin soup to other tenants in return for donations to a local women’s shelter. Roughly €3,000 was raised toward excursions and activities for the children living there.

## Hines Spain

### Social Ride

The Hines team in Spain participated in the El Camino bike race – 725km from Pamplona to Santiago – to raise money for Fundación Diversión Solidaria. Tenants from Gran Via and Diagonal Vertical also contributed donations and products for the raffle. Hines matched the total raised, contributing a total of €5,300 to the foundation to support dog therapy for disabled people and outings for disadvantaged mothers and their children.



Left: Tower Run participants smile after a job well done.  
Above: On the course at the Tower Run, Portland Towers, Copenhagen.



05

Annex

EUROSQUARE  
PORTES DE PARIS



# HECF Assets as of December 31, 2024

OVERVIEW ↗  
See our portfolio overview

ASSET INFORMATION		GREEN BUILDING CERTIFICATION				
Investment Name and Location	Asset Type	Certification 1	Certification 2	Certification 3	On-site Renewables	Renewable Electricity
<b>Soho Square</b> London, UK	Office: Corporate: Mid-Rise Office	BREEAM In-Use Very Good			Planned	Landlord, Tenant (whole-building)
<b>Amazon</b> Bielany Wroclawskie, Poland	Industrial: Distribution Warehouse	BREEAM New Construction Very Good	BREEAM In-Use Very Good	ActiveScore Silver		Tenant (whole-building)
<b>Barcelona First Ring</b> Barcelona, Spain	Industrial: Distribution Warehouse	BREEAM In-Use Pass				Tenant (whole-building)
<b>Caleido</b> Stuttgart, Germany	Mixed use: Other	DGNB New Construction Gold	DGNB In-Use Gold	WiredScore Platinum SmartScore - Operational - Gold	Yes	Landlord, Tenant (partial)
<b>Carrer del Arcs</b> Barcelona, Spain	Retail: High Street	BREEAM In-Use Pass				
<b>Chatham &amp; King</b> Dublin, Ireland	Mixed use: Office/Retail	BREEAM In-Use Pass	EED Building Design & Construction Certified			Landlord, Tenant (whole-building)
<b>Dnata Cargo Point</b> London, UK	Industrial: Distribution Warehouse	BREEAM In-Use Pass			Planned	Tenant (whole-building)
<b>Dnata City</b> Greater London, UK Kingdom	Industrial: Distribution Warehouse	BREEAM New Construction Very Good	BREEAM In-Use Good	ActiveScore Silver		Tenant (whole-building)
<b>Domkaskaden</b> Hamburg, Germany	Office: Corporate: High-Rise Office	DGNB In-Use Gold				Landlord, Tenant (partial)
<b>JLP, Enfield</b> London, UK	Industrial: Distribution Warehouse	BREEAM New Construction Very Good	BREEAM In-Use Good	ActiveScore Silver		Tenant (whole-building)
<b>Essen</b> Essen, Germany	Industrial: Distribution Warehouse	DGNB New Construction Gold	BREEAM In-Use Very Good		Planned	
<b>Eurosquare</b> Paris, France	Office: Corporate: Mid-Rise Office	HQE Excellent				Landlord, Tenant (partial)
<b>Friesen Quartier</b> Cologne, Germany	Mixed use: Office/Residential	BREEAM In-Use Pass				Landlord, Tenant (partial)
<b>Grafton Collection Lot 1</b> Dublin, Ireland	Retail: High Street	BREEAM In-Use Pass			Yes	Landlord, Tenant (partial)
<b>Grafton Collection Lot 2</b> Dublin, Ireland	Retail: High Street	BREEAM In-Use Pass				Landlord, Tenant (partial)



Investment Name and Location	Asset Type	Certification 1	Certification 2	Certification 3	On-site Renewables	Renewable Electricity
<b>HEMA</b> Utrecht, Netherlands	Industrial: Distribution Warehouse	BREEAM In-Use Pass				
<b>Kobmagergade Portfolio</b> Copenhagen, Denmark	Mixed use: Other	BREEAM In-Use Pass				Landlord, Tenant (partial)
<b>La Manufacture</b> Paris, France	Office: Corporate: Mid-Rise Office	BREEAM In-Use Pass				Landlord, Tenant (whole-building)
<b>Marianella</b> Dublin, Ireland	Residential: Multi-Family: Mid-Rise Multi Family	BREEAM In-Use Very Good			Yes	Landlord, Tenant (partial)
<b>Mariendalsvej</b> Copenhagen Denmark	Residential: Student Housing	BREEAM In-Use Very Good			Yes	Landlord, Tenant (partial)
<b>Maxmor</b> Dartford, UK	Industrial: Distribution Warehouse	BREEAM In-Use Good			Yes	Tenant (whole-building)
<b>Metropoles Portfolio</b> Various cities, France	Residential: Multi-Family: Mid-Rise Multi Family	HQE Outstanding				Landlord
<b>NDSM Loodsen</b> Amsterdam, Netherlands	Office: Corporate: Low-Rise Office	BREEAM In-Use Pass				Tenant (partial)
<b>NDSM Smederij</b> Amsterdam, Netherlands	Office: Corporate: Mid-Rise Office	BREEAM In-Use Pass				Tenant (partial)
<b>NDSM Timmerwekplatz</b> Amsterdam, Netherlands	Office: Corporate: Mid-Rise Office	BREEAM In-Use Pass				Tenant (partial)
<b>Noortse Bosch</b> Amsterdam, Netherlands	Office: Corporate: Mid-Rise Office	BREEAM In-Use Good				Landlord, Tenant (whole-building)
<b>Portland Towers</b> Copenhagen, Denmark	Office: Corporate: Mid-Rise Office	BREEAM New Construction Very Good	BREEAM In-Use Very Good	WiredScore Gold		Landlord, Tenant (partial)
<b>Project Prague: BOELS Vestec</b> Prague, Czech Republic	Industrial: Distribution Warehouse	BREEAM In-Use Very Good				
<b>Project Prague: Continental Brandys</b> Prague, Czech Republic	Industrial: Distribution Warehouse	BREEAM In-Use Very Good				Tenant
<b>Project Prague: MAPEI Jazlovice</b> Prague, Czech Republic	Industrial: Distribution Warehouse	BREEAM In-Use Good				
<b>Project Prague: Vestec Industrial Park</b> Prague, Czech Republic	Industrial: Distribution Warehouse	BREEAM In-Use Good				
<b>Royal Flora - Aalsmeer</b> Amsterdam, Netherlands	Industrial: Distribution Warehouse	BREEAM In-Use Pass			Planned	Tenant (whole-building)





Investment Name and Location	Asset Type	Certification 1	Certification 2	Certification 3	On-site Renewables	Renewable Electricity
<b>Royal Flora - Honselersdijk</b> Amsterdam, Netherlands	Industrial: Distribution Warehouse	BREEAM In-Use Pass				
<b>Royal Flora - Laan van Verhof 43</b> Amsterdam, Netherlands	Industrial: Distribution Warehouse	BREEAM In-Use Pass			Yes	Tenant (whole-building)
<b>Royal Flora - Laan van Verhof 56</b> Amsterdam, Netherlands	Industrial: Distribution Warehouse	BREEAM In-Use Pass			Yes	Tenant (whole-building)
<b>Royal Flora - Laan van Verhof 63</b> Amsterdam, Netherlands	Industrial: Distribution Warehouse	BREEAM In-Use Pass			Yes	Tenant (whole-building)
<b>Royal Flora - Rijnsburg 75</b> Amsterdam, Netherlands	Industrial: Distribution Warehouse	BREEAM In-Use Pass				Tenant (whole-building)
<b>Diagonal Vertical</b> Barcelona, Spain	Office: Corporate: High-Rise Office	LEED Building Design & Construction Platinum	WELL Platinum	WiredScore Platinum	Yes	Landlord
<b>South Dock</b> Amsterdam, Netherlands	Residential: Multi-Family: High-Rise Multi-Family	BREEAM In-Use Pass				Landlord, Tenant (partial)
<b>St. Honoré</b> Paris, France	Retail: High Street	BREEAM In-Use Pass				
<b>Trikotage Parken</b> Copenhagen, Denmark	Residential: Multi-Family: Mid-Rise Multi Family	Nordic Swan			Yes	Landlord, Tenant (partial)
<b>Ventrupparken</b> Copenhagen, Denmark	Industrial: Distribution Warehouse	BREEAM In-Use Pass				Tenant (whole-building)
<b>Via Tornabuoni</b> Florence, Italy	Mixed use: Other	BREEAM In-Use Pass				Landlord, Tenant (partial)
<b>Villaverde</b> Madrid, Spain	Industrial: Distribution Warehouse	BREEAM In-Use Good			Yes	Tenant (whole-building)
<b>Werfthaus</b> Frankfurt, Germany	Office: Corporate: High-Rise Office	DGNB In-Use Gold				Landlord, Tenant (partial)
<b>Project Ruby</b> Valencia, Spain	Industrial: Distribution Warehouse	BREEAM In-Use Very Good				



# HECF Sustainability Commitments and Targets

## Environmental Commitments

FOCUS AREA	2024 TARGET AND PROGRESS	2025 OBJECTIVES / TARGETS
Environmental Performance Data	<p><b>Obtain and monitor utility data, including energy, water, and waste:</b></p> <ul style="list-style-type: none"><li>• The Fund once again achieved excellent data coverage (99.8% energy coverage).</li><li>• During 2024, a process was established to collect energy data from the network operators which will maximise data coverage across assets.</li><li>• Kodelabs smart building system rolled out at Caleido, Werfthaus and Diagonal Vertical, to facilitate data collection and accessibility.</li></ul> <p><b>Continue to roll out smart meters across existing assets and new acquisitions to ensure data quality:</b></p> <ul style="list-style-type: none"><li>• Enhanced data coverage, quality and monitoring capabilities via the continued rollout of automatic data collection technology across operationally controlled assets, for example, at Caleido.</li></ul> <p><b>Protect the environment, including through pollution prevention across direct business activities:</b></p> <ul style="list-style-type: none"><li>• Decarbonisation approach advanced with Marianella and Caleido pilot, contributing to emissions abatement and pollution prevention.</li><li>• Water efficiency measures in place for Enfield, Barcelona First Ring and Diagonal Vertical, and being implemented at the Prague Logistics Portfolio.</li><li>• Leak detection implemented at Eurosquare, La Manufacture and Rue St. Honoré.</li></ul>	<p><b>Operational Assets:</b></p> <ul style="list-style-type: none"><li>• Obtain and monitor utility data, including energy, water and waste, on a monthly basis.</li><li>• Continue to roll out smart meters across existing assets and new acquisitions. Implement an enhanced utility Monitoring and Targeting Programme for landlord-controlled assets.</li><li>• Seek to reduce and optimise whole-building utilities consumption.</li><li>• Seek to minimise waste production and maximise recycling rates.</li></ul> <p><b>Major Refurbishments:</b></p> <ul style="list-style-type: none"><li>• Install automatic meter reading (AMR) devices (or half hourly meters) for main utility meters (electricity, gas, district heating, water), with separate metering of landlord and tenant supplies.</li><li>• Implement a comprehensive BMS system to monitor consumption.</li></ul>
Decarbonisation	<p><b>Continue to work toward net zero operational carbon emissions for Scope 1 and 2 by 2030 and Scope 3 by 2040:</b></p> <ul style="list-style-type: none"><li>• On a like-for-like occupancy adjusted basis, the Fund reported a decrease in Scope 1 and Scope 2 (-2.2% emissions).</li></ul> <p><b>Obtain asset-level decarbonisation roadmaps for all portfolio assets not earmarked for disposition and execute implementation plans:</b></p> <ul style="list-style-type: none"><li>• Roadmaps obtained for 100% of assets with &gt;1yr operational energy data.</li><li>• Decarbonisation Cap Ex plans deployed at Royal Flora and being implemented at Dnata Portfolio, Caleido and Marianella.</li><li>• Continue to have a monitoring and targeting program to ensure operational energy efficiencies on landlord-controlled assets.</li></ul>	<p><b>Operational Assets:</b></p> <ul style="list-style-type: none"><li>• Continue to work toward net zero operational carbon emissions for Scope 1 and 2 by 2030 and Scope 3 by 2040.</li><li>• Obtain asset-level decarbonisation roadmaps for all portfolio assets not earmarked for disposition and execute implementation plans.</li><li>• The energy reduction competition includes portfolio assets such as: Caleido, Friesen Quartier, Domkaskaden, Werfthaus, Portland Towers, Chatham &amp; King, Eurosquare and La Manufacture. Winner is the building with biggest reduction.</li></ul> <p><b>Major Refurbishments:</b></p> <ul style="list-style-type: none"><li>• Explore feasibility of all-electric building services to reduce carbon in operation on major refurbishments (with consideration to capital expenditure and investor demand).</li><li>• For major refurbishments, target the 2040 CRREM 1.5°C pathway relevant to asset type and location.</li></ul>





<b>Renewable Energy</b>	<p><b>Maintain 100% renewable energy for all landlord-procured electricity and support tenants in the transition to procurement of green tariffs when possible:</b></p> <ul style="list-style-type: none"><li>• 100% renewable energy for all landlord-procured electricity (see data tables on page 24).</li><li>• All tenants engaged to switch to green tariffs.</li></ul> <p><b>Continue to review opportunities for on-site renewable energy, specifically PV at logistics assets with significant roof space:</b></p> <ul style="list-style-type: none"><li>• PV opportunities assessed for all tenant-controlled assets in the portfolio as part of carbon assessment.</li><li>• PV installation at Royal Flora.</li><li>• PV implementation taking place at Dnata Portfolio.</li></ul>	<p><b>Operational Assets:</b></p> <ul style="list-style-type: none"><li>• Maintain 100% renewable energy for all landlord procured electricity and support tenants in the transition to procurement of green tariffs when possible.</li><li>• Engage with tenants to encourage them to convert to green tariffs for their leased spaces.</li></ul> <p><b>All Assets (including major refurbishments):</b></p> <ul style="list-style-type: none"><li>• Continue to review opportunities for on-site renewable energy, specifically PV at logistics assets with significant roof space.</li><li>• If viable proceed to the next stage of installation of on-site renewables.</li></ul>
<b>Building Certifications</b>	<p><b>Obtain green building certificates for all assets with the aim of consistent, 100% portfolio coverage:</b></p> <ul style="list-style-type: none"><li>• 100% coverage of GBCs maintained.</li><li>• The Fund has driven forward efforts to improve GBC ratings across the portfolio, through the procurement of optimization reports.</li></ul> <p><b>Ensure 100% of assets have valid EPCs or equivalent energy ratings:</b></p> <ul style="list-style-type: none"><li>• 100% coverage of EPCs maintained.</li><li>• The Fund has driven forward efforts to improve EPC ratings across the portfolio, through the procurement of optimization reports.</li></ul>	<p><b>Operational Assets:</b></p> <ul style="list-style-type: none"><li>• Obtain green building certificates for all assets with the aim of consistent, 100% portfolio coverage.</li><li>• Seek to improve certification level where possible. Seek to ensure that 100% of assets have valid EPCs or equivalent energy ratings.</li></ul> <p><b>Major Refurbishments:</b></p> <ul style="list-style-type: none"><li>• Achieve green building certification (e.g. BREEAM or equivalent) on major refurbishment projects. Target ‘Very Good’ rating or equivalent.</li><li>• Target minimum EPC (Energy Performance Certificate) ‘B’ rating for major refurbishments and seek to gradually improve operational assets to this standard.</li></ul>
<b>Waste</b>	<p><b>Maintain 100% diversion of waste from landfill for landlord-managed waste:</b></p> <ul style="list-style-type: none"><li>• The Fund continued to divert 100% of landlord-managed waste from landfill.</li></ul> <p><b>Engage tenants annually at assets, with a view to minimising waste production and maximising recycling:</b></p> <ul style="list-style-type: none"><li>• The Fund continued to engage tenants in relation to waste minimising behaviours.</li></ul>	<p><b>Operational Assets:</b></p> <ul style="list-style-type: none"><li>• Maintain 100% diversion of waste from landfill for landlord-managed waste.</li><li>• Engage tenants periodically at assets, with a view to minimising waste production and maximising recycling.</li></ul> <p><b>Major Refurbishments:</b></p> <ul style="list-style-type: none"><li>• For major refurbishments, follow ESG development brief on effective waste management through demolition and works on-site. Prioritise waste reduction in accordance with best practices.</li></ul>
<b>Biodiversity</b>	<p><b>Seek to improve understanding of ecology local to assets:</b></p> <ul style="list-style-type: none"><li>• Green wall installation at Diagonal Vertical.</li><li>• Projected 840% biodiversity net gain improvement at Soho Square.</li><li>• Five assets obtained biodiversity screening assessments in 2024.</li></ul>	<p><b>Operational Assets:</b></p> <ul style="list-style-type: none"><li>• Explore opportunities to integrate plants and biophilic design elements.</li></ul> <p><b>Major Refurbishments::</b></p> <ul style="list-style-type: none"><li>• Refurbishment projects will consider ecological enhancement opportunities.</li><li>• Consider native planting and blue/green infrastructure features.</li><li>• Obtain a TNFD gap analysis for the Fund and review opportunities at a portfolio level to improve performance.</li></ul>



# HECF Sustainability Commitments and Targets

## Social Commitments

FOCUS AREA	2024 TARGET AND PROGRESS	2025 OBJECTIVES / TARGETS
Tenant engagement	<p><b>Continue to share Sustainable Fit-Out Guide with tenants in advance of fit-outs:</b></p> <ul style="list-style-type: none"><li>Offered to all commercial tenancies.</li></ul> <p><b>Continue to incorporate green lease clauses into tenancy agreements and engage with tenants on the benefits of reducing consumption of finite resources:</b></p> <ul style="list-style-type: none"><li>100% of commercial leases signed in 2024 over 1,000 sqm contain green lease clauses.</li></ul> <p><b>Continue to increase tenant engagement on sustainability topics, particularly through HinesGO and Hines GR programs:</b></p> <ul style="list-style-type: none"><li>100% commercial tenants engaged on sustainability topics.</li><li>An Occupier ESG Engagement and Value Creation Guide has been developed for asset management teams, which connects sustainability Cap Ex with increasing rental income and consequently, positive asset-level valuation impact.</li></ul> <p><b>Survey tenants to gauge satisfaction with and interest in our sustainability efforts:</b></p> <ul style="list-style-type: none"><li>Tenant sustainability engagement survey developed in 2024, to go live in 2025.</li></ul> <p><b>Promote health, safety, well-being and productivity amongst building users:</b></p> <ul style="list-style-type: none"><li>Soho Square and Diagonal Vertical refurbishments targeting WELL Platinum.</li></ul>	<p><b>Operational Assets:</b></p> <ul style="list-style-type: none"><li>Seek to incorporate green lease clauses into tenancy agreements.</li><li>Conduct tenant surveys to understand and align with their priorities, including sustainability.</li><li>Seek to share the Tenant Sustainability Fit-Out Guide in advance of tenant fit-outs.</li></ul>
Employee engagement	<p><b>Continue to embed sustainability objectives into performance reviews:</b></p> <ul style="list-style-type: none"><li>Performance objectives were updated in 2024 and made mandatory for all director-level and above employees.</li></ul> <p><b>Promote our people practices by adopting workplace policies that achieve greater equity, retention, and representation:</b></p> <ul style="list-style-type: none"><li>Several Health and Well-being trainings were provided by Human Resources over the course of 2024.</li></ul> <p><b>Continue to deliver sustainability-focused training:</b></p> <ul style="list-style-type: none"><li>Hines employees received multiple internal sustainability training sessions. sustainability training was delivered by multiple external partners, with sessions covering GRESB, sustainability best practice, sustainability legislation and key emerging topics.</li></ul> <p><b>Continue to coordinate the European ESG League meetings and activities to align best practices across the European platform:</b></p> <ul style="list-style-type: none"><li>In 2024, alongside regular virtual sessions, the European Sustainability League hosted its third offsite event in Paris, during September. The event took place over two days and included the Sustainability League cohort, as well as additional attendees from across the organisation.</li></ul>	<ul style="list-style-type: none"><li>Embed sustainability objectives within performance reviews for the Fund’s investment management and local teams.</li><li>Carry out sustainability-focused training sessions for investment management and local teams.</li><li>Conduct employee engagement surveys.</li></ul>



Community engagement	<p><b>Ensure all managed assets continue to complete and track sustainability-related community engagement:</b></p> <ul style="list-style-type: none"><li>• In 2024, Fund assets participated in the Building Better Communities social competition, with submissions from 7 assets across Germany, Spain and Denmark.</li></ul> <p><b>Ensure the Fund team commits time to volunteering with charities as part of the Hines’s Our Community program:</b></p> <ul style="list-style-type: none"><li>• In 2024, the Fund team and other central functions working on the portfolio partnered with Habitat for Humanity, an organisation which turns unused spaces into homes for vulnerable groups, including refugees, women fleeing domestic abuse, young care leavers, and low-income families. The group volunteered for the cause by spending a day upcycling furniture which would then be used to furnish these spaces, occupied by those in need.</li></ul>	<p><b>Operational Assets:</b></p> <ul style="list-style-type: none"><li>• Seek to partake in and track community engagement initiatives within the locality of all assets, where appropriate.</li></ul> <p><b>Major Refurbishments:</b></p> <ul style="list-style-type: none"><li>• Develop a community engagement plan appropriate to the project and report on initiatives undertaken throughout the lifecycle of projects.</li><li>• Consider opportunities to utilise local suppliers/contractors, employees, and engagement with voluntary, community or social enterprises.</li><li>• Act on feedback/concerns raised by stakeholders in decision making.</li><li>• Facilitate engagement by arranging community visits to project sites.</li></ul>
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# HECF Sustainability Commitments and Targets

OVERVIEW ↗  
See our high-level sustainability goals

## Governance Commitments

FOCUS AREA	2024 TARGET AND PROGRESS	2025 OBJECTIVES / TARGETS
GRESB and Awards	<p><b>Continue to participate in GRESB to support benchmarking and communicate transparent sustainability performance:</b></p> <ul style="list-style-type: none"><li>• Selected as the PREA Open-End Fund ESG award winner in 2024.</li><li>• Achieved GRESB Global and Regional Sector Leader for an unprecedented 8th consecutive time, in addition to peer group leader with a score of 93.</li><li>• Maintaining the results from the 2023 survey, the Fund attained 100% scores in ten of the 14 scope “aspects” (Leadership; Policies; Reporting; Risk Management; Stakeholder Engagement; Risk Assessment; Targets; Tenants &amp; Community; and Data Monitoring &amp; Review, Building Certifications).</li></ul>	<ul style="list-style-type: none"><li>• Continue to participate in the GRESB survey in order to support benchmarking and communication of ESG performance.</li></ul>
Climate risk and resilience	<p><b>Continue to report in line with TCFD recommendations.</b></p> <ul style="list-style-type: none"><li>• Maintained alignment with TCFD recommended disclosures.</li></ul> <p><b>Continue to perform climate-risk assessments on all existing assets and new acquisitions, and seek to further embed climate change adaptation and resilience related risks into wider risk-management strategies and acquisition processes:</b></p> <ul style="list-style-type: none"><li>• Climate risk assessment capabilities improved via platform upgrade.</li><li>• 100% of operational assets evaluated via third-party climate risk platform in 2024.</li><li>• 100% of new acquisitions assessed via third-party climate risk platform.</li><li>• Flooding risk mitigation planning underway for Essen, following high flooding risk exposure assessment.</li></ul>	<ul style="list-style-type: none"><li>• Continue to report in line with TCFD recommendations.</li><li>• Continue to perform climate-risk assessments on all existing acquisitions and seek to further embed climate change adaptation and resilience related risks into wider risk-management strategies and acquisition processes.</li></ul>
Acquisition due diligence	<p><b>Continue to complete the Sustainability Acquisitions Due Diligence Checklist for all new acquisitions:</b></p> <ul style="list-style-type: none"><li>• Sustainability Acquisition Due Diligence checklists were complete for 100% of the Fund’s acquisitions in 2024.</li><li>• Starting from 2023, an ESG Due Diligence scoping document was developed which ensures that all material sustainability risks and opportunities are uncovered for a potential acquisition. Acquisitions teams have been trained on how to leverage these newly develop sustainability considerations.</li></ul>	<ul style="list-style-type: none"><li>• Continue to complete the Sustainability Acquisitions Due Diligence Checklist and IC Memo advanced sustainability considerations for all new acquisitions.</li><li>• Apply the ESG Due Diligence Scoping Document.</li><li>• Carry out robust carbon and energy intensity assessments of all potential new acquisitions.</li><li>• Include net zero carbon considerations in investment underwriting.</li><li>• Update the checklist to include more detailed sustainability considerations, in line with industry best practices.</li></ul>



<b>Asset-level action plans</b>	<p><b>Continue to maintain SAAPs for all assets to identify opportunities for improving sustainability performance within asset business plans:</b></p> <ul style="list-style-type: none"><li>• 100% SAAP coverage across portfolio.</li></ul> <p><b>Update SAAP template to include more detailed sustainability considerations in line with industry best practices:</b></p> <ul style="list-style-type: none"><li>• <i>N/A - SAAPs to be superseded by new sustainability data platform.</i></li></ul> <p><b>Incorporate a review of sustainability opportunities within all major landlord refurbishments (e.g. shared mechanical, electrical and hydraulic systems):</b></p> <ul style="list-style-type: none"><li>• ESG Development Brief applied at Diagonal Vertical and Soho Square refurbishments.</li></ul> <p><b>Apply the new ESG Development Brief to all new development projects:</b></p> <ul style="list-style-type: none"><li>• <i>N/A – no new developments in 2024.</i></li></ul>	<ul style="list-style-type: none"><li>• Seek to complete and update SAAPs for 100% of assets, on at least an annual basis.</li><li>• Once available, formally replace SAAPs with new sustainability data platform capabilities.</li></ul>
<b>Green finance</b>	<p><b>Continue to seek further opportunities to secure green financing:</b></p> <ul style="list-style-type: none"><li>• In 2024, €101.4m made available to the Fund via green financing.</li></ul>	<ul style="list-style-type: none"><li>• Continue to seek further opportunities to secure green financing.</li></ul>





# Compliance and Methodology

## Reporting standard - INREV compliance

The HECF sustainability strategy and key environmental performance data (e.g. energy and water consumption) in this report have been compiled in line with the INREV Sustainability Reporting Guidelines. As permitted by the guidelines, environmental data is developed and presented in line with GRESB.

HECF has reported environmental data where it has ‘operational control’ and where, acting as landlord, it was responsible for procuring utilities and/or waste management services. This scope applies to ‘directly managed’ (multi-let) assets, where HECF has the authority to introduce and implement operating policies. The reporting process has been supported by the sustainability consultancy firm EVORA, using a proprietary sustainability software tool, SIERA. HECF also commissioned EVORA Global, who undertook a limited assurance engagement of reported environmental data.

This report is a snapshot of the Hines European Core Fund as of 31 December 2024. For a comprehensive disclosure of INREV compliant sustainability data, please refer to the Hines European Core Fund’s full Annual Report audited by Ernst & Young. This is available upon request from Daniel Chang at daniel.chang@hines.com.

## Methodology

Like-for-like energy, water and greenhouse gas (GHG) emissions performance compares consumption and emissions data of assets held in both 2022 and 2023, excluding any assets held for less than 24 months, or assets that underwent major refurbishment during this time. Like-for-like performance data have been normalised to remove the impact of external factors on consumption, where relevant. Normalisation for external factors has considered occupancy changes and weather patterns (through reference to ‘heating degree days’). Only gas, district heating (and, for one asset, electricity) and related GHG were normalised for degree days. Degree-day information has been sourced from www.degreedays.net using the closest weather station to each asset.

Normalisation adjustments for occupancy and weather patterns are standard practice

in sustainability reporting; however, we acknowledge that a linear approach – including the one applied here – does not reflect the true relationship between these external factors and building operation. Clearly, all buildings and tenants are different and blanket assumptions such as those applied here have a limited ability to reflect all such nuances. In future, we intend to engage directly with this sector-wide issue and to explore a more sophisticated approach for reporting. To pursue this goal, we will complete our own internal investigations and engage with external parties and industry associations, as appropriate.

## Sustainable Finance Disclosures Regulation (SFDR)

The Fund’s private placement memorandum (‘PPM’) ensures compliance with article 6 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector, (the ‘SFDR’), by setting out (1) how sustainability risks are integrated into the investment decision-making in respect of the Fund and (2) the likely impact of sustainability risks on the returns of the Fund. The Fund purports to promote certain environmental and social characteristics pursuant to article 8 of the SFDR by way of the inclusion of a number of ESG targets which are further detailed in the Funds’ PPM. There is no suggestion that any of the Fund’s investments are ‘sustainable investments’ pursuant to the SFDR or otherwise ‘taxonomy-aligned’ investments pursuant to the Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment.

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## Real Estate Related Risks

Investments in real estate funds such as those described herein, are subject to numerous risks and uncertainties, including risks inherent in private, real estate funds, such as lack of liquidity, lack of diversification and dependence on key personnel of the fund sponsor, as well as risks inherent in the types of investments such funds make, competition for investment opportunities, changes in market conditions, regulatory and environmental risks, entitlement and development risks and risks of tenant, purchaser or seller defaults on contractual obligations. Investors in real estate funds must be able to evaluate and bear the potential consequences of these and other risks, including the potential loss of their entire investment.

The characteristics of investments to be made by the Fund may vary from the characteristics of those shown herein and may not have comparable risks and returns. An investment in the Fund is speculative and involves significant risks, including loss of the entire investment and is suitable only for sophisticated investors who fully understand and are capable of bearing the risks of an investment in the Fund. The Fund should be considered illiquid, as there is limited to no secondary market for interests in the Fund

and there are restrictions to redemptions and/or transfers of interests in the Fund. A recipient who has preliminary interest in the Fund should understand these risks and have the financial ability and willingness to accept such risks for an extended period of time before considering making an investment in the Fund. Please refer to the Definitive Documents for detailed information on the risks and rewards of the Fund.

## Prior or Targeted Performance

Any investment entails a risk of loss, including loss of the entire investment. In considering any performance data contained herein, each recipient should bear in mind that past performance is not indicative of future results, and there can be no assurance that an investment program will achieve comparable results or will achieve any target or estimated results.

The Fund will make investments in different economic conditions than those prevailing in the past. Thus, no guarantee is made that the Fund will have the same types or diversity of investment opportunities as prior vehicles. While Hines believes all performance targets and estimates to be reasonable and sound under the current circumstances, actual returns will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, legal and contractual restrictions on transfer that may limit liquidity, any related transaction costs and the timing and manner of sale, all of which may differ materially from the assumptions and circumstances on which the estimated future cash flows and exit values used in the performance estimates and targets contained herein are based. Accordingly, nothing herein should be deemed to be a prediction or projection of future performance of the Fund and actual realized returns on unrealized investments may be materially different from the returns indicated herein. Additional information on the performance and other numbers presented herein is available from Hines upon request. Please refer to the Definitive Documents for detailed information on Fund performance.

## Track Record

The Hines property investments and investment programs referred to herein were made at different times, with materially different terms and in materially different market conditions than those contemplated for the Fund. The results of the investment programs presented illustrate results that could be achieved in certain

conditions if the underlying assumptions prove to be correct. In considering all of the track record and performance information contained herein, prospective investors should bear in mind that past performance is not indicative of future results, and there can be no assurance that the Fund will achieve comparable results to historical transactions or that the Fund will be able to implement its investment strategy and investment approach or achieve its investment objective.

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Investments in the Fund will be denominated in Euros and, therefore, will be subject to any fluctuation in the rate of exchange between the Euro and the currency of the investor's home jurisdiction, which may have an adverse effect on the value of, price of or income or gains from an investor's investment in the Fund. Future performance is subject to taxation which depends on the personal situation of the investor, and which may change in the future.

Forward Looking Statements

This document contains projected results, forecasts, estimates, targets and other "forward-looking statements" concerning proposed and existing investment funds and other vehicles. Due to the numerous risks and uncertainties inherent in real estate investments, actual events or results, or the actual performance of any of the funds or investment vehicles described, may differ materially from those reflected or contemplated in such forward-looking statements. Accordingly, forward-looking statements cannot be viewed as statements of fact. The projections presented are illustrations of the types of results that could be achieved in the given circumstances if the assumptions underlying them are met. Prospective investors should not rely on such forward-looking statements in deciding whether to make an investment.

Definitions:

BREEAM is the world's leading science-based suite of validation and certification systems for a sustainable built environment. It provides

independent third-party certification of the assessment of the sustainability performance of individual buildings, communities and infrastructure projects. Participants pay for the certification process. The BREEAM ratings range from Unclassified, Pass, Good, Very Good, Excellent to Outstanding and it is reflected in a series of stars on the BREEAM certificate. The higher the percentage score and higher number of stars reflected on the certificate indicate a higher over-all rating. "Outstanding" -- 85 percent score; "Excellent" -- 70 percent; "Very Good" -- 55 percent score; "Good" -- 40 percent score; "Pass" -- 25 percent score; "Acceptable" -- 10 percent score and "Unclassified" -- < 10 percent score.

CRREM (Carbon Risk Real Estate Monitor) aims to provide the European commercial real estate industry with appropriate science-based carbon reduction pathways at building, portfolio and company level and with financial risk assessment tools to cost-effectively manage carbon mitigation strategies. CRREM resources are free to market participants; though companies are charged to refer to CRREM in reports and register their compliance with CRREM pathways officially.

Offered by the German Sustainable Building Council, DGNB is a holistic certification process by the German Green Building Council that measures environmental quality, economic quality, sociocultural and functional quality of new buildings, existing buildings, refurbishments and buildings in use. Hines pays to submit projects for certification.

GRESB is a mission-driven and investor-led organization that provides actionable and transparent Environmental, Social and Governance (ESG) data to financial markets. GRESB collects, validates, scores and benchmarks ESG data to provide business intelligence, engagement tools, and regulatory reporting solutions. Hines pays to participate in GRESB.

The HQE certification is a voluntary process for construction, renovation and maintenance of all building types. It shows balance between respect of the environment (energy, carbon, water, waste, biodiversity, etc.), quality of life and economic performance through a comprehensive approach. Fees are based on the scale and scope of a project.

LEED (Leadership in Energy and Environmental Design) is the most widely used green building rating system in the world. LEED is for all building

types and all building phases including new construction, interior fit outs, operations and maintenance and core and shell. To earn LEED certification, a project team must demonstrate compliance with all mandatory prerequisites and select a number of optional credits to pursue. Hines pays registration and certification fees.

The Nordic Swan Ecolabel was established in 1989 by the Nordic Council of Ministers as a voluntary ecolabelling scheme for the Nordic countries Denmark, Finland, Iceland, Norway and Sweden. The Fund pays to submit for Ecolabel certification.

The Pension Real Estate Association (PREA) established the annual PREA Real Estate Investment ESG Awards to recognize PREA members at the forefront of ESG within real estate investing, and to provide the industry with examples of best practices in ESG. To be eligible for PREA's Open-end ESG Award, the fund must be an open-end real estate fund, the firm managing the fund must be a PREA member and the fund must participate in GRESB. Winner is selected based on the fund's GRESB score and an expert panel's subjective rating of the fund's ESG program.

PERE is the leading publication for the world's private real estate markets. For the PERE awards, PERE's editorial team selects a short list of submissions based on their experience with the firm'smaking the submissions. Award nominations are highly subjective and include qualitative and quantitative criteria, looking for evidence of a firm's activity capital raising, deal execution and/or innovation.

The Iberian Property Investment Awards are organised by Iberian Property annually. The Green Asset Initiative of the Year award is awarded to a selected asset with suitable sustainability credentials.

SmartScore certification recognizes and promotes technologically advanced smart buildings globally. SmartScore is offered by WiredScore.

Projects pursuing WELL Certification can earn points based on performance outcomes for various policy, design and operational strategies and can achieve one of four certification levels: Bronze, Silver, Gold or Platinum. Hines pays to submit a project for certification.

Fitwel is a green building certification which evaluates the health and well-being credentials of an asset.

WiredScore is the global digital connectivity rating system, working with landlords to assess, improve, benchmark and promote their buildings. A WiredScore Certified building proves that it is of satisfactory levels of digital connectivity. To achieve WiredScore Certified status, a building must be digitally capable to meet the majority of tenants' technological demands.

SmartScore identifies best in class smart buildings that deliver an exceptional user experience, drive cost efficiency, meet high standards of sustainability and are fully future-proof. Hines pays to undergo the process to achieve the score.

ActiveScore is a green building certification which evaluates active travel suitability of site.

ISO 14001 is an internationally recognized standard for environmental management systems (EMS). It provides a framework for organizations to develop, implement, and maintain an EMS to manage their environmental impact.

Bureau Veritas (BV) is a French company that provides testing, inspection, and certification services globally.

Published June 2025.

This report is a snapshot of the Hines European Core Fund as of December 31, 2024. Unless otherwise noted, all data in this report is as of December 31, 2024.

For a comprehensive disclosure of INREV-compliant sustainability data, please email Daniel Chang: [daniel.chang@hines.com](mailto:daniel.chang@hines.com).

Endnotes

- 1 Data as of December 31, 2024.
- 2 In relation to GHG, 1.5-degree pathway and applies to all assets where a relevant CRREM benchmark is in place.



# About Hines

Hines has been a leader in real estate investment, development, and management for more than six decades. Founded by Gerald D. Hines in 1957, Hines is now one of the largest privately held real estate firms in the world, with a global presence and extensive experience across all property types and investment risk profiles.

Since our beginning, we have focused on creating and preserving value in the built environment through spaces that set industry standards for quality and efficiency, uplift cities and communities, and enable our tenants and other stakeholders to flourish. We believe prioritising value creation through sustainability leverages our vertical integration and broad expertise – and differentiates us as a company.

We use sustainability as a lens to support decision-making, goal-setting, and continuous improvement across our business lines. Our commitment to positive environmental and social impact inspires us to tackle pressing climate challenges through innovation and supports our company vision: to be the best real estate investor, partner, and manager in the world.

DEEP DIVE ↗

Learn more about our firm-wide focus on sustainability

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